

## TITLE 10. CALIFORNIA BUREAU OF REAL ESTATE

### ALLOCATION OF FEES TO EDUCATION AND RESEARCH ACCOUNT

#### NOTICE IS HEREBY GIVEN

The Commissioner ("Commissioner") of the Bureau of Real Estate ("CalBRE") proposes to amend Section 2717 of the Regulations of the Real Estate Commissioner (Title 10, Chapter 6 of the California Code of Regulations) ("the Regulations") after considering all comments, objections, and recommendations regarding the proposed action.

#### AUTHORITY AND REFERENCE

Section 10080 of the Business and Professions Code ("the Code") authorizes the Commissioner to adopt regulations that are reasonably necessary for the enforcement of the provisions of the Real Estate Law (Code Sections 10000 et. seq.). This proposal amends Section 2717 of the Regulations, an action specifically authorized by Section 10450.6 of the Code.

#### PUBLIC HEARING

CalBRE has not scheduled a public hearing on this proposed action. However, CalBRE will hold a hearing if it receives a written request for a public hearing from any interested person, or his or her authorized representative, no later than 15 days before the close of the written comment period.

#### WRITTEN COMMENT PERIOD

Any interested person, or his or her authorized representative, may submit written comments relevant to the proposed regulatory action to the Commissioner addressed as follows:

##### Regular Mail

Bureau of Real Estate  
Attn: Daniel E. Kehew, Sacramento Legal Office  
P.O. Box 137007  
Sacramento, CA 95813-7007

##### Electronic Mail

CalBRERegulations@dca.ca.gov

##### Facsimile

(916) 263-8767

**Comments may be submitted until 5:00 p.m., Monday, July 28, 2014.**

#### INFORMATIVE DIGEST/PLAIN ENGLISH OVERVIEW:

Pursuant to Section 10450.6 of the Code, this amendment of Section 2717 of the Regulations would set the percentage of real estate license fees allocated to the Education and Research Account within the Real Estate Fund at 8 percent. Currently, no portion of the real estate license fees collected are allocated by regulation to that Account.

## DISCLOSURES REGARDING THE PROPOSED ACTION

### DETERMINATION OF CONSISTENCY/COMPATIBILITY WITH EXISTING STATE REGULATIONS

The Commissioner has determined that these proposed regulations are not inconsistent or incompatible with existing regulations. After conducting a review for any regulations that would relate to or affect this area, the Commissioner has concluded that these are the only regulations relating to allocation of a portion of fees collected to the Education and Research Account.

### PURPOSE, BENEFITS, AND GOALS OF THIS AMENDMENT

This amendment will ensure that the maximum legal percentage of funds is designated for the educational and research purposes intended by Section 10450.6 of the Code.

The direction of funds to this account will improve the real estate information and educational resources available to the public and the industry regarding real estate matters. This action meets the priority of the Bureau of Real Estate: To protect the public in the area of real estate licensing, regulation, and discipline. (See Business and Professions Code section 10050.1.) Such protection benefits the general welfare of California.

### NECESSITY OF THIS AMENDMENT

Although allocation of resources for educational and research projects does not require that the fees be designated to the Education and Research Account, such designation ensures that sufficient fees are available for this purpose.

### AVAILABILITY OF MODIFIED TEXT

The text of any modified regulation, unless the modification is only non-substantial or solely grammatical in nature, will be made available to the public at least 15 days prior to the date CalBRE adopts the regulation(s). A request for a copy of any modified regulation(s) should be addressed to the contact person designated below. The Commissioner will accept written comments on the modified regulation(s) for 15 days after the date on which they are made available. The Commissioner may thereafter adopt, amend or repeal the foregoing proposal substantially as set forth above without further notice.

### AVAILABILITY OF STATEMENT OF REASONS, TEXT OF PROPOSED REGULATIONS/INTERNET ACCESS

The express terms of the proposed action may be obtained upon request from the Sacramento offices of CalBRE. An initial statement of reasons for the proposed action containing all the information upon which the proposal is based is available from the contact person designated below. These documents are also available at CalBRE's

website at [www.bre.ca.gov](http://www.bre.ca.gov). As required by the Administrative Procedure Act, CalBRE's Sacramento Legal Office maintains the rulemaking file. The rulemaking file is available for public inspection at the Bureau of Real Estate, 1651 Exposition Boulevard, Sacramento, California.

#### AVAILABILITY OF THE FINAL STATEMENT OF REASONS

Upon its completion, the Final Statement of Reasons will be available and copies may be requested from the contact person named in this notice or may be accessed on the website listed above.

#### CONSIDERATION OF ALTERNATIVES

In accordance with Government Code section 11346.5, subdivision (a)(13), the Commissioner must determine that no reasonable alternative he considered, or that has otherwise been identified and brought to the attention of CalBRE, would be more effective in carrying out the purpose for which the action is proposed, would be as effective and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

#### RESULTS OF THE ECONOMIC IMPACT ANALYSIS/ASSESSMENT (Pursuant to Government Code Section 11346.3(b))

The Commissioner has conducted an Economic Impact Assessment, and that document is relied upon in reaching these results:

- The proposal does not affect the creation or elimination of jobs within the State of California.
- The proposal does not affect the creation of new businesses or the elimination of existing businesses within the State of California.
- The proposal does not affect the expansion of businesses currently doing business within the State of California.
- The proposal will not adversely affect the health and welfare of California residents, worker safety, or the State's environment. By designating funds for education and research projects, the proposal will benefit the general welfare of California residents by ensuring that licensees and the public have greater financial literacy and knowledge of real estate practices.

#### INITIAL DETERMINATIONS

The Commissioner has made an initial determination that the proposed regulatory action:

- Will have no fiscal impact on the Bureau of Real Estate or any other state agency. (Statement of Determination required by Government Code section 11346.5(a)(6).)
- Does not create a cost nor impose a mandate (nondiscretionary cost or savings) on local agencies or school districts, or a mandate that is required to be reimbursed pursuant to Part 7 (commencing with Section 17500) of Division 4 of the Government Code. (Statements of Determination required by Government Code section 11346.5(a)(6).)

- Does not create a cost or savings regarding federal funding to the state. (Statement of Determination required by Government Code section 11346.5(a)(6).)
- Does not have an effect on housing costs.
- Does not have a significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states.

#### COST IMPACTS ON REPRESENTATIVE PRIVATE PERSON OR BUSINESS

The Commissioner has determined that there is no fiscal impact to individuals (including corporate licensees) resulting from this proposed regulatory amendment. Therefore, the Commissioner is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

#### EFFECT ON SMALL BUSINESS

The Commissioner has determined that there is no fiscal impact to individuals (including small businesses) resulting from this proposed regulatory amendment because there is no change to the license fee charged to licensees, but rather a regulatory determination regarding the internal allocation of fees once they are collected.

#### CONTACT PERSON

Inquiries concerning this action may be directed to Daniel Kehew at (916) 263-8681, or via email at CalBRERegulations@dca.ca.gov. The backup contact person is Mary Clarke at (916) 263-7303.

Dated: June 3, 2014  
Sacramento, California

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Daniel E. Kehew  
Real Estate Counsel  
Sacramento Legal Office